



STATE OF MAINE
OFFICE OF THE GOVERNOR
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AUGUSTA, MAINE
04333-0001

Paul R. LePage
GOVERNOR

3 January 2014

VIA HAND DELIVERY

Sen. Justin Alford, Senate President
State House
Augusta, ME

Rep. Mark Eves, Speaker of the House
State House
Augusta, ME

Sen. Michael Thibodeau, Minority Leader
State House
Augusta, ME

Rep. Kenneth Fredette, Minority Leader
State House
Augusta, ME

Dear Legislative Leadership:

I wish to bring to your attention a welfare problem that will require a solution from the legislative branch. For years, Maine's TANF program has allowed benefit recipients to avoid federally imposed work requirements. Mainers receiving TANF cash benefits are supposed to attempt to engage in meaningful work activities for 30 hours per week, according to the federal program. If they do not engage in this work through our ASPIRE program, DHHS should (and does) cut off benefits for failure to comply. However, DHHS is prevented from sanctioning TANF recipients who fail to work if they are exempted from the work requirement under our generous Maine laws. There is no federal exception to the work requirement—this is a creature of state law only.

The federal government expects states to achieve a specific rate of work participation among its TANF families overall, and among the smaller subset of two-parent families receiving assistance. According to the federal government, Maine failed to meet its work participation requirements from 2007-2010. We have not yet received notices for subsequent years. The ramification of a continuing failure is the imposition of monetary penalties on the State of Maine.

DHHS informed the Appropriations and Financial Affairs Committee during the 125th Legislature about the imposition of a penalty for failure to meet TANF work participation requirements for 2007. We have received penalty notices for 2008-2010 for similar failures, and will provide this information to you. The penalties grow year by year, and so I am sure you can understand my concern.

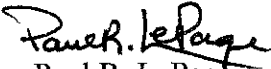


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Maine DHHS has proposed a corrective action plan to bring our work participation rate into compliance with the federal requirements. Under current federal regulations, this will not be easy, but we must rise to the challenge. The corrective action plan outlines the steps the Department will take. The Department cannot change Maine law, though, and it is clear that legislative change is needed to bring us in line with federal law in order to give us the best chance of avoiding millions of dollars in federal penalties. Shortly, I will be introducing a bill to do just this.

I believe it is important to make these legislative changes to achieve the work participation rate required by the federal government. Along with strict enforcement by the department, we can bring the state into compliance with the federal requirements, thereby eliminating future penalties. We are also hopeful, based on federal guidance, that these efforts will assist DHHS in arguing for reduction or elimination of past years' penalties.

Sincerely,


Paul R. LePage
Governor